

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: BERNARD L. MADOFF INVESTMENT SECURITIES LLC, Debtor.	Adv. Pro. No. 08-1789 (BRL) SIPA LIQUIDATION (Substantively Consolidated)
IRVING H. PICARD, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC, Plaintiff, v. HERALD FUND SPC and HSBC BANK PLC, and HSBC SECURITIES SERVICES (LUXEMBOURG) S.A., Defendants.	Adv. Pro. No. 09-1359 (BRL)

STIPULATION OF DISMISSAL WITHOUT PREJUDICE AND CONSENT ORDER

The plaintiff, Irving H. Picard (the “Trustee”), as trustee for the substantively consolidated liquidation of the business of Bernard L. Madoff Investment Securities LLC and the estate of Bernard L. Madoff, by and through his undersigned counsel, and defendants HSBC Bank plc and HSBC Securities Services (Luxembourg) S.A., by and through their undersigned counsel, hereby agree and stipulate as follows:

1. Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, made applicable in this proceeding by Rule 7041 of the Federal Rules of Bankruptcy Procedure, all claims asserted against defendants HSBC Bank plc and HSBC Securities Services (Luxembourg) S.A. in the above-captioned matter are hereby dismissed without prejudice;
2. Nothing contained herein shall be construed as an adjudication of the merits of the Trustee's claims against Herald Fund SPC, HSBC Bank plc, and/or HSBC Securities Services (Luxembourg) S.A., or as an admission or acknowledgment of any claim or defense as against the others by either the Trustee, Herald Fund SPC, HSBC Bank plc, and or HSBC Securities Services (Luxembourg) S.A., and all such claims and defenses are preserved;
3. The Bankruptcy Court shall retain jurisdiction with respect to the adjudication of any matter or dispute pertaining to this Stipulation.

Dated: January 6, 2011

New York, New York

/s/Oren J. Warshavsky

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Liquidation of Bernard L. Madoff
Investment Securities LLC and Bernard L.
Madoff*

DATED: January 10, 2011
New York, New York

/s/ Thomas J. Moloney

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SO ORDERED:

/s/Burton R. Lifland

Honorable Burton R. Lifland
United States Bankruptcy Judge